



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT CHIEF OF STAFF, G-2, INTELLIGENCE
WASHINGTON 25, D. C.

TOP SECRET CONTROL SECTION
G-2, DA

18 April 1955

Mr. Allen W. Dulles
Director, Central Intelligence Agency
Washington, D. C.

Dear Allen:

In conformity with our very interesting discussion on last Saturday I would like to give you the gist of my thoughts with respect to U. S. policy on the Chinese situation. This is being discussed over here but I have no idea what the reaction will be.

1. In connection with the tense situation prevailing with the Chinese Communists over Formosa and the Coastal Islands, consideration should be given to adoption of a U. S. course of action enabling the President to issue a strong statement now covering the following points:

a. Continued aggression by Communist forces against nations of the Free World cannot and will not be tolerated.

b. Every means is and will continue to be taken to arrive at a peaceful solution of the current Chinese Communist problem and to resolve the threat to South East Asia.

c. In the interest of world peace and as evidence of the good faith and peaceful intentions of the United States, representation by the United States and other interested powers has been made to the Chinese Nationalist government for withdrawal of forces from the Quemoy and Matsu Groups.

d. At the same time, to express our determination to meet any aggressive threat against the Free World, the Congress has been requested to authorize increase in the size of the Armed Forces, to include expansion of the U. S. Army by five combat divisions and essential supporting troops.

e. As further indication of U. S. determination to thwart aggression the following deployment of U. S. ground forces has been directed: A U. S. Infantry Division to Formosa; a Marine

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Army review(s)

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Division to the Subic Bay area in the Philippines; and one airborne regimental combat team to Singapore (this deployment predicated upon satisfactory arrangements with the British Government).

2. Suitable readjustment of deployments to compensate for the above movements would be effected to insure maintenance of a proper U. S. military posture in the Far East.

3. The proposal outlined in paragraph 1 is submitted in light of the consideration that the continued absence of a well defined and publicly announced U. S. position with regard to the Quemoy and Matsu Groups may well force U. S. involvement in defense of those islands should the Chinese Communists attack as preferable to the serious loss of prestige which would occur in event of failure to act once combat has been joined.


ARTHUR G. TRUDEAU

Major General, GS

A. C. of S., G-2

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CENTRAL INTELLIGENCE AGENCY
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Remarks: Mr. Dulles would like

General Cabell's views

on the attached.

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